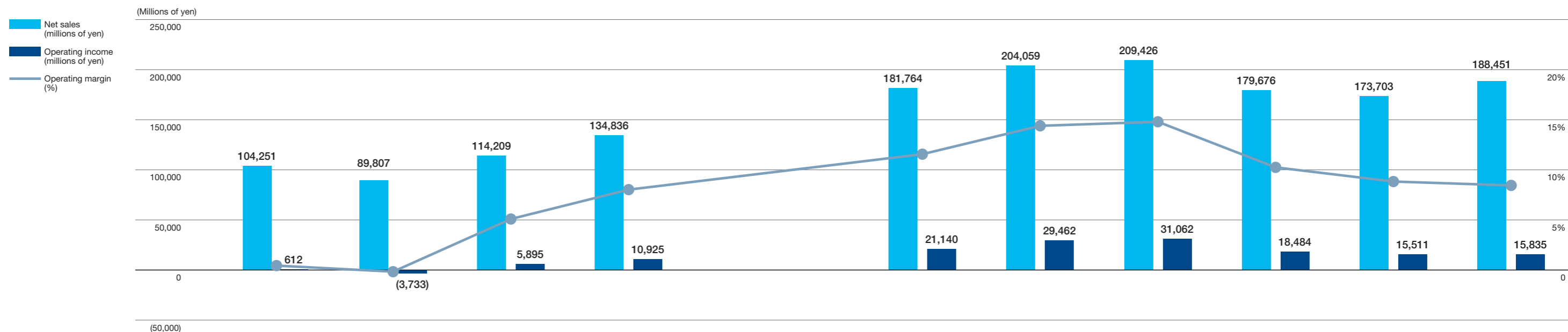


P

erformance and Financial Highlights (Consolidated Basis)



	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Profit and Loss										
Net sales (millions of yen)	104,251	89,807	114,209	134,836	181,764	204,059	209,426	179,676	173,703	188,451
Operating income (millions of yen)	612	(3,733)	5,895	10,925	21,140	29,462	31,062	18,484	15,511	15,835
Ordinary income (millions of yen)	297	(3,886)	5,778	11,448	21,642	30,357	30,680	18,490	14,907	15,604
Net income (loss) attributable to owners of the parent (millions of yen)	(895)	(6,722)	3,145	7,341	14,410	19,483	19,621	11,881	9,391	11,462
Cash Flow										
Cash flow from operating activities (millions of yen)	7,913	6,472	13,612	2,188	15,467	19,800	19,387	3,301	30,015	2,515
Cash flow from investing activities (millions of yen)	(1,700)	(873)	(868)	(1,972)	(3,753)	(4,079)	(3,758)	(4,798)	(3,942)	(17,052)
Cash flow from financing activities (millions of yen)	3,216	(5,738)	(2,540)	(2,050)	(4,910)	(4,287)	(3,136)	(2,495)	(7,992)	(5,717)
Financial Condition										
Total assets (millions of yen)	159,843	146,104	161,125	177,538	198,864	223,525	235,302	229,737	245,501	255,793
Cash and cash equivalents at the end of the fiscal year (millions of yen)	30,822	30,367	40,155	39,512	48,156	61,262	73,120	68,291	86,624	65,753
Interest-bearing debt (millions of yen)	46,553	40,189	38,101	38,706	38,233	37,620	36,869	37,235	33,750	30,165
Shareholders' equity (millions of yen)	87,516	80,357	83,094	88,757	100,454	116,796	133,190	141,746	147,841	156,011
Per Share Data										
Net assets (yen)	660.4	590.6	612.1	677.3	805.9	958.2	1,060.0	1,121.9	1,180.3	1,216.0
Net income (loss) attributable to owners of the parent (yen)	(7.0)	(52.9)	24.8	57.8	113.7	153.8	154.9	93.8	74.2	90.5
Price-earnings ratio (%)	—	—	24.1	18.8	11.8	10.5	6.7	13.8	21.5	11.6
Dividends (yen)	8.0	3.0	7.0	12.0	19.0	23.0	26.0	26.0	26.0	26.0
Dividend payout ratio (%)	—	—	28.3	20.7	16.7	15.0	16.8	27.7	35.1	28.7
Other Indicators										
Operating margin (%)	0.6	—	5.2	8.1	11.6	14.4	14.8	10.3	8.9	8.4
Ratio of operating income to total assets (ROA) (%)	0.4	—	3.8	6.5	11.2	14.0	13.5	7.9	6.5	6.3
Return on equity (ROE) (%)	—	—	4.1	9.0	15.3	17.5	15.4	8.6	6.4	7.6
Capital adequacy ratio (%)	52.5	51.3	48.2	48.4	51.4	54.3	57.0	61.8	60.9	60.2
Capital investments (millions of yen)	1,583	964	1,584	2,925	4,178	3,905	4,572	6,030	2,838	14,458
Depreciation expense (millions of yen)	3,060	2,696	2,353	2,167	2,366	2,589	2,793	3,113	2,864	2,984
Research and development expense (millions of yen)	4,010	3,727	3,480	3,998	4,497	4,876	5,611	5,993	6,149	6,918
Outside Japan sales ratio (%)	53.9	42.6	46.3	49.1	52.5	50.7	49.9	43.1	43.8	48.5
Number of employees	3,043	3,091	3,113	3,144	3,227	3,491	3,433	3,346	3,311	3,405

C Consolidated Financial Statements

Consolidated Balance Sheet

(As of March 31, 2018 and 2019)

Assets			Liabilities		
	FY 2017	FY 2018		FY 2017	FY 2018
Current Assets	188,687	186,156	Current Liabilities	70,334	71,306
Cash and deposits	86,854	65,952	Notes and accounts payable - trade	28,310	32,877
Notes and accounts receivable - trade	41,996	46,699	Electronically recorded obligations	8,417	8,914
Electronically recorded monetary claims	3,505	4,137	Short-term borrowings	18,604	10,638
Merchandise and finished products	23,232	28,358	Lease obligations	215	222
Work in process	21,682	20,400	Income taxes payable	3,517	3,826
Raw materials and supplies	9,637	13,997	Allowance for product warranties	1,641	1,719
Other	2,100	6,746	Provision for loss on guarantees	0	—
Allowance for doubtful accounts	(321)	(136)	Accounts payable - other	4,532	6,349
Non-current Assets	56,814	69,637	Deferred gross profit on installment sales	159	41
Property, plant and equipment	41,747	52,597	Other	4,937	6,714
Buildings and structures	36,666	37,331	Long-term Liabilities	25,122	29,461
Machinery, equipment and vehicles	12,042	12,853	Corporate bonds	10,000	10,000
Land	23,025	23,056	Long-term borrowings	4,559	8,920
Lease assets	1,032	1,108	Lease obligations	372	383
Construction in progress	1,262	12,528	Deferred tax liabilities	91	91
Other	8,549	8,776	Deferred tax liabilities for land revaluation	2,109	2,109
Subtotal	82,579	95,655	Net defined benefit liability	7,360	7,317
Accumulated depreciation	(40,831)	(43,058)	Other	629	639
Intangible Fixed Assets	1,187	1,703	Total Liabilities	95,457	100,768
Investments and Other Assets	13,879	15,336	Net Assets		
Investment securities	7,209	7,675	Shareholders' Equity	147,841	156,011
Deferred tax assets	6,088	7,036	Common stock	13,021	13,021
Other	1,858	1,618	Capital surplus	16,853	16,853
Allowance for doubtful accounts	(1,277)	(994)	Retained earnings	120,606	128,776
Total Assets	245,501	255,793	Treasury stock	(2,639)	(2,640)
			Accumulated Other Comprehensive Income	1,615	(2,035)
			Unrealized gain on available-for-sale securities	1,622	(609)
			Deferred gain (loss) on hedges	—	(0)
			Revaluation reserve for land	1,270	1,270
			Foreign currency translation adjustments	(585)	(2,139)
			Remeasurements of defined benefit plans	(693)	(556)
			Non-controlling Interests	587	1,049
			Total Net Assets	150,044	155,025
			Total Liabilities and Net Assets	245,501	255,793

Consolidated Statement of Income

(For fiscal years ended March 31, 2018 and 2019)

(Millions of yen)

	FY 2017	FY 2018
Net Sales	173,703	188,451
Cost of Sales	126,366	137,579
Gross Profit before Deferred Gross Profit on Installment Sales	47,337	50,872
Reversal of unrealized income on installment sales	110	156
Provision of unrealized income on installment sales	117	39
Gross Profit	47,330	50,989
Selling, General and Administrative Expenses	31,818	35,153
Operating Income	15,511	15,835
Non-operating Income	497	537
Interest income	84	86
Dividend income	134	167
Other	278	283
Non-operating Expenses	1,102	768
Interest expense	452	370
Foreign exchange loss	439	269
Other	209	128
Ordinary Income	14,907	15,604
Extraordinary Income	36	700
Gain on sales of property, plant and equipment	6	12
Gain on sales of investment securities	0	688
Gain on liquidation of a subsidiary	30	—
Extraordinary Loss	268	86
Loss on sales and retirement of property, plant and equipment	41	42
Impairment loss	—	44
Loss on valuation of investments in an affiliate	87	—
Allowance for doubtful accounts of an affiliate	139	—
Income before Income Taxes	14,676	16,218
Income taxes - current	5,246	4,761
Income taxes - deferred	(3)	(32)
Total Income Taxes	5,243	4,728
Net Income	9,432	11,490
Net Income Attributable to Non-Controlling Interests	41	27
Net Income Attributable to Owners of the Parent	9,391	11,462

Consolidated Statement of Comprehensive Income

(For fiscal years ended March 31, 2018 and 2019)

(Millions of yen)

	FY 2017	FY 2018
Net Income	9,432	11,490
Other Comprehensive Income	1,325	(3,713)
Unrealized gain on available-for-sale securities	(109)	(2,232)
Deferred gain (loss) on hedges	—	(0)
Foreign currency translation adjustments	1,319	(1,617)
Remeasurements of defined benefit plans	116	136
Comprehensive Income	10,758	7,777
(Breakdown)		
Comprehensive income attributable to owners of the parent	10,688	7,812
Comprehensive income attributable to non-controlling interests	70	(35)

Consolidated Statement of Cash Flows

(For fiscal years ended March 31, 2018 and 2019)

(Millions of yen)

	FY 2017	FY 2018
Cash Flow from Operating Activities		
Net income before income taxes	14,676	16,218
Depreciation	2,864	2,984
Impairment loss	—	44
Amortization of goodwill	97	188
Increase (decrease) in allowance for doubtful accounts	334	(423)
Increase (decrease) in net defined benefit liability	119	211
Increase (decrease) in deferred gross profit on installment sales	6	(117)
Interest and dividend income	(219)	(253)
Interest expense	452	370
Foreign exchange loss (gain)	(70)	74
Loss (gain) on sales of investment securities	(0)	(688)
Loss (gain) on sale or disposal of property, plant and equipment	34	29
Loss on valuation of investments in an affiliate	87	—
Decrease (increase) in notes and accounts receivable	3,765	(5,492)
Decrease (increase) in inventories	1,872	(9,302)
Increase (decrease) in notes and accounts payable	10,181	5,650
Other	324	(2,421)
Subtotal	34,526	7,073
Interest and dividend income received	220	255
Interest expense paid	(452)	(372)
Income taxes paid	(4,278)	(4,441)
Cash Flow from Operating Activities	30,015	2,515
Cash Flow from Investing Activities		
Decrease (increase) in time deposits	213	(10)
Purchases of property, plant and equipment	(2,628)	(12,518)
Proceeds from sales of property, plant and equipment	9	94
Purchase of investment securities	(1,216)	(3,861)
Proceeds from sales of investment securities	9	889
Payment for transfer of business	—	(412)
Payment for purchase of a subsidiary resulting in change in scope of consolidation	(266)	(795)
Other	(64)	(438)
Cash Flow from Investing Activities	(3,942)	(17,052)
Cash Flow from Financing Activities		
Net increase (decrease) in short-term borrowings	(4,473)	(2,077)
Proceeds from long-term borrowings	—	6,200
Repayments of long-term borrowings	—	(6,800)
Purchases of treasury stock	(2)	(0)
Disposal of treasury stock	—	0
Dividends paid	(3,292)	(3,292)
Dividends paid to non-controlling interests	(44)	(17)
Proceeds from share issuance to non-controlling shareholders	78	513
Other	(258)	(243)
Cash Flow from Financing Activities	(7,992)	(5,717)
Foreign Currency Translation Adjustments on Cash and Cash Equivalents	251	(615)
Net Increase (Decrease) in Cash and Cash Equivalents	18,332	(20,871)
Cash and Cash Equivalents at Beginning of Year	68,291	86,624
Cash and Cash Equivalents at End of Year	86,624	65,753